

IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA

UNITED STATES OF AMERICA	:	CRIMINAL NO. _____
v.	:	DATE FILED: _____
WAHBI M. AHMAD,	:	VIOLATIONS:
a/k/a “Tony Ahmad,”		18 U.S.C. § 1341 (mail fraud - 4 counts)
a/k/a “Tony Armand,”	:	26 U.S.C. § 7206(1) (filing a false federal
a/k/a “Mohomed Wahbi,”		income tax return - 1 count)
a/k/a “Antar,”	:	
a/k/a “Tony Amad”		
	:	
	:	

INFORMATION

COUNTS ONE AND TWO

THE UNITED STATES ATTORNEY CHARGES THAT:

At all times material to this information:

1. Cousins Food Markets (“CFM”) was a chain of approximately three supermarkets and grocery stores in the Philadelphia, Pennsylvania, area. CFM did not redeem discount coupons from grocery suppliers or manufacturers. CFM banked exclusively at Wachovia Bank.
2. NCH Marketing Services, Inc. (“NCH”) and Carolina Merchant Services, Inc. (“CMS”) were coupon clearinghouses that, acting on behalf of manufacturers, cleared manufacturers’ discount coupons and reimbursed supermarkets and other retailers who accepted these discount coupons for groceries and other products. A supermarket or other retailer could only redeem a coupon if a customer of that supermarket had purchased the product described in the coupon; individuals and supermarkets were not permitted to redeem coupons for which no

corresponding purchase had been made. NCH and CMS sent checks by United States mail to supermarkets and other retailers who accepted and redeemed the discount coupons. These checks represented the proceeds of the discount coupon redemptions plus a handling fee.

3. Defendant WAHBI M. AHMAD, a/k/a “Tony Ahmad,” “Tony Armand,” “Mohomed Wahbi,” “Antar,” “Tony Amad,” was employed by CFM in various capacities, including, among others, as one of the managers of the CFM store located at 1023 Erie Avenue in Philadelphia, Pennsylvania. Between approximately August 1998 and July 2005, the defendant fraudulently redeemed approximately \$500,000 in grocery store coupons through coupon clearinghouses such as NCH and CMS and used the proceeds of these fraudulent redemptions to, among other things, pay his personal expenses.

THE SCHEME

4. From in or about August 1998 to on or about July 8, 2005, defendant

**WAHBI M. AHMAD,
a/k/a “Tony Ahmad,”
a/k/a “Tony Armand,”
a/k/a “Mohomed Wahbi,”
a/k/a “Antar,”
a/k/a “Tony Amad”**

devised and intended to devise a scheme to defraud NCH and CMS, and to obtain money and property by means of false and fraudulent pretenses, representations and promises.

MANNER AND MEANS

It was part of the scheme that:

5. On or about August 7, 1998, defendant WAHBI M. AHMAD, a/k/a “Tony Ahmad,” “Tony Armand,” “Mohomed Wahbi,” “Antar,” “Tony Amad,” rented a post office box

in Philadelphia, Pennsylvania, in the name of Cousins Food Market, Inc., using the alias “Tony Ahmad” in the application. A short time later, the defendant rented other post office boxes in the same manner. He did not have the authorization of CFM to open or use the post office boxes.

6. On or about September 16, 1998, to hold the proceeds of the fraudulent scheme and to hide the fact that he intended to fraudulently redeem discount coupons through NCH, CMS, and other coupon clearinghouses, defendant WAHBI M. AHMAD, a/k/a “Tony Ahmad,” “Tony Armand,” “Mohomed Wahbi,” “Antar,” “Tony Amad,” opened a business checking account at PNC Bank in Philadelphia in CFM’s name using the alias “Mohomed Wahbi.” The defendant obtained a debit card for the purpose of withdrawing cash from the account and making purchases.

7. Following his opening of the PNC Bank account, defendant WAHBI M. AHMAD, a/k/a “Tony Ahmad,” “Tony Armand,” “Mohomed Wahbi,” “Antar,” “Tony Amad,” directed NCH and CMS to mail checks representing his fraudulent redemption of discount coupons to post office boxes and other locations he had established.

8. On or about November 10, 2000, defendant WAHBI M. AHMAD, a/k/a “Tony Ahmad,” “Tony Armand,” “Mohomed Wahbi,” “Antar,” “Tony Amad,” informed an employee of NCH that NCH should send all coupon redemption checks and other correspondence for five CFM locations in Philadelphia to the post office boxes the defendant had rented without the knowledge of CFM’s owners or employees. The defendant used the alias “Tony Armand.”

9. Beginning in late-1998 and continuing through July 8, 2005, defendant WAHBI M. AHMAD, a/k/a “Tony Ahmad,” “Tony Armand,” “Mohomed Wahbi,” “Antar,”

“Tony Amad,” fraudulently redeemed hundreds of thousands of dollars in discount coupons through NCH, CMS, and other coupon clearinghouses. The defendant accomplished the scheme by obtaining coupons for various products. He then falsely claimed to NCH, CMS, and the other clearinghouses that customers of his store had purchased the products listed in the coupons when they had not, in fact, done so. The defendant then submitted the coupons to NCH and CMS without disclosing that no one had purchased the product described in the coupon. As a result of the defendant’s false statements and concealment of material information, NCH and CMS issued hundreds of checks to the defendant, which he deposited into the PNC Bank account he opened on September 7, 1998.

10. On or about the dates listed below, in Philadelphia, in the Eastern District of Pennsylvania, and elsewhere, defendant

**WAHBI M. AHMAD,
a/k/a “Tony Ahmad,”
a/k/a “Tony Armand,”
a/k/a “Mohomed Wahbi,”
a/k/a “Antar,”
a/k/a “Tony Amad,”**

for the purpose of executing the scheme described above, and attempting to do so, and aiding and abetting its execution, knowingly caused to be delivered by mail according to the directions thereon, the following:

COUNT	DATE OF MAILING	ITEM MAILED
1	January 18, 2005	Check in the amount of \$84.28 mailed from NCH Marketing Services in Deerfield, Illinois 60015 to Cousins Food Market, P.O. Box 46884, Philadelphia, PA 19160 representing the proceeds of the defendant’s fraudulent redemption of store coupons.

COUNT	DATE OF MAILING	ITEM MAILED
2	April 8, 2005	Check in the amount of \$342.17 mailed from Carolina Manufacturers Services, Inc., 2850 Pilgrim Court, Winston-Salem, North Carolina 27106 to Cousins Market, P.O. Box 46884, Philadelphia, PA 19160.

In violation of Title 18, United States Code, Sections 1341 and 2.

COUNTS THREE AND FOUR

THE UNITED STATES ATTORNEY FURTHER CHARGES THAT:

At all times material to this information:

1. Paragraphs one through ten of Counts One and Two are incorporated by reference.
2. The Food Stamp Program (“FSP”) was a program funded by the United States Department of Agriculture (“USDA”). The mission of the FSP was to provide low-income children and families with access to nutritious food by providing them with government funds to purchase food. In Pennsylvania, the program was administered by the Pennsylvania Department of Public Welfare (“DPW”) through county assistance offices located in various parts of the state, including in Philadelphia.
3. The Medical Assistance Program (“MAP”) was a program funded by the United States Department of Health and Human Services (“HHS”). The mission of the MAP was to provide health care services to low-income individuals with high medical expenses by providing government funds to pay for medical expenses. In Pennsylvania, the DPW administered the program through county assistance offices located in various parts of the state, including in Philadelphia.
4. Prospective recipients of assistance from both the FSP and MAP were required to submit periodic applications truthfully and accurately identifying all of their sources of income. This was required to assure that only low-income individuals were receiving these benefits. Individuals with income or assets in excess of limits set by the USDA, HHS, and DPW were not eligible to receive such benefits. Further, to make sure that they retained their

eligibility, recipients of FSP and MAP benefits were required to submit to DPW periodic reports detailing sources of income and other financial information.

5. Defendant WAHBI M. AHMAD, a/k/a “Tony Ahmad,” “Tony Armand,” “Mohomed Wahbi,” “Antar,” “Tony Amad,” was employed by CFM in various capacities, including, among others, as one of the managers of the CFM store located at 1023 Erie Avenue in Philadelphia, Pennsylvania. As the defendant knew, by virtue of his substantial income for the period 1998 through 2005, neither he nor anyone in his household was eligible to participate in the FSP and MAP. In order to obtain benefits to which he was not entitled, the defendant caused to be submitted numerous false applications for benefits and false monthly reports substantially understating his income and assets.

THE SCHEME

6. From in or about December 17, 1998, to on or about January 25, 2006, defendant

**WAHBI M. AHMAD,
a/k/a “Tony Ahmad,”
a/k/a “Tony Armand,”
a/k/a “Mohomed Wahbi,”
a/k/a “Antar,”
a/k/a “Tony Amad”**

devised and intended to devise a scheme to defraud USDA, HHS, and DPW and to obtain money and property by means of false and fraudulent pretenses, representations and promises.

MANNER AND MEANS

It was part of the scheme that:

7. Between approximately December 17, 1998 and January 25, 2006, defendant WAHBI M. AHMAD, a/k/a “Tony Ahmad,” “Tony Armand,” “Mohomed Wahbi,” “Antar,” “Tony Amad,” either submitted himself or caused his wife, D.M., a person known to the United States Attorney, to submit numerous applications to DPW to participate in the MAP which falsely stated either that he had no source of income or that his only source of income was wages in a minimal weekly amount and that he owned only a single bank account. At all times relevant to this information, the defendant received substantially more income from the scheme charged in Counts One and Two of this information and owned a second bank account at PNC Bank.

8. During the existence of the scheme, defendant WAHBI M. AHMAD, a/k/a “Tony Ahmad,” “Tony Armand,” “Mohomed Wahbi,” “Antar,” “Tony Amad,” submitted and caused to be submitted by United States mail numerous monthly reports to the DPW fraudulently and substantially understating his income. The DPW required the reports so that it could make sure that the defendant was still a low-income individual and still met the eligibility requirements for receiving FSP and MAP benefits.

9. As a result of the fraudulent scheme, defendant WAHBI M. AHMAD, a/k/a “Tony Ahmad,” “Tony Armand,” “Mohomed Wahbi,” “Antar,” “Tony Amad,” received more than \$50,000 in MAP benefits and more than \$10,000 in FSP benefits to which he was not entitled.

10. On or about the dates listed below, in Philadelphia, in the Eastern District of Pennsylvania, and elsewhere, defendant

**WAHBI M. AHMAD,
a/k/a “Tony Ahmad,”
a/k/a “Tony Armand,”**

**a/k/a “Mohomed Wahbi,”
a/k/a “Antar,”
a/k/a “Tony Amad,**

for the purpose of executing the scheme described above, and attempting to do so, and aiding and abetting its execution, knowingly caused to be delivered by mail according to the directions thereon, the following:

COUNT	DATE OF MAILING	ITEM MAILED
3	January 13, 2003	Monthly reporting form signed and sworn to by the defendant’s wife, D.M., mailed to the DPW, c/o the Philadelphia County Assistance Office, 900 N. Marshall Street, Philadelphia, PA 19123, which falsely stated that the defendant’s only source of income in December 2002 was wages of \$143.75 per week.
4	March 10, 2003	Monthly reporting form signed and sworn to by the defendant’s wife, D.M., mailed to the DPW, c/o the Philadelphia County Assistance Office, 900 N. Marshall Street, Philadelphia, PA 19123, which falsely stated that the defendant’s only source of income in February 2003 was wages of between \$150 and \$162 per week.

In violation of Title 18, United States Code, Sections 1341 and 2.

COUNT FIVE

THE UNITED STATES ATTORNEY FURTHER CHARGES THAT:

1. Paragraphs one through ten of Counts One and Two and paragraphs one through ten of Counts Three and Four of this Information are incorporated by reference.

2. On or about April 15, 2005, in Philadelphia, in the Eastern District of Pennsylvania, and elsewhere, defendant

**WAHBI M. AHMAD,
a/k/a “Tony Ahmad,”
a/k/a “Tony Armand,”
a/k/a “Mohomed Wahbi,”
a/k/a “Antar,”
a/k/a “Tony Amad,”**

willfully made and subscribed a United States income tax return, Form 1040A, for the calendar year 2004, which was verified by a written declaration that it was made under the penalty of perjury and filed with the Director, Internal Revenue Service Center, at Philadelphia, Pennsylvania, which defendant WAHBI M. AHMAD, a/k/a “Tony Ahmad,” “Tony Armand,” “Mohomed Wahbi,” “Antar,” “Tony Amad,” did not believe to be true and correct as to every material matter, in that the return reported adjusted gross income of \$13,250, when, as defendant WAHBI M. AHMAD, a/k/a “Tony Ahmad,” “Tony Armand,” “Mohomed Wahbi,” “Antar,” “Tony Amad,” knew, his true adjusted gross income was at least approximately \$40,642.87 more than he reported.

In violation of Title 26, United States Code, Section 7206(1).

PATRICK L. MEEHAN
United States Attorney